

School of Economics and Finance

ECON 416 LABOUR MARKETS

Trimester One 2009

COURSE OUTLINE

Names and Contact Details

Lecturer

Dr. Malathi Velamuri RH 314 463-6413 malathi.velamuri@vuw.ac.nz

Preferred method of contact: email

Trimester Dates

Monday, 2 March to Wednesday, 1 July 2009

Class Times and Room Numbers

Lectures: Monday, 14:40 - 16:30 RWW129

Sessions will be a mixture of formal lectures and group discussion.

Withdrawal dates: Information available via

<http://www.victoria.ac.nz/home/admisenrol/payments/withdrawlsrefunds.aspx>

Course Content

- A) Introduction to Labour economics and empirical methods (1 class)
- B) Labour Supply (2 classes)
- C) Labour Demand (2 classes)
- D) Human Capital and earnings profiles (3 classes)
- E) Group differences in labour market outcomes (2 classes)
- F) Labour Market Mobility (2 classes)

Course Learning Objectives

1. understand the principal empirical approaches to estimating key labour-market relationships;
2. use static, inter-temporal and life-cycle labour supply models to explain the supply side of the labour market;
3. explain the determinants of labour demand under perfect competition and under monopsony;
4. understand and apply the productivity and signalling models of human capital theory;
5. explain the presence and function of internal labour markets utilising principal-agent, work-life incentive and rank-order tournament theories;

Expected Workload

150 hours, spread evenly over the 12 week trimester, study week and exam period.

Readings

A reading list is provided for each of the topics. Students will be expected to obtain copies of the relevant readings. Some of these will be posted on Blackboard. For most topics, required reading will be one survey article and 2 or 3 other relevant articles.

Background textbooks and reference books:

The following books provide survey articles or an introduction to the various topics. The first two references are highly recommended.

- G.J. Borjas *Labor Economics* (3rd ed. McGraw Hill)
- Cahuc, P. and Zylberberg, A. (2004) *Labor Economics*, MIT Press, Cambridge, MA.
- *Handbook of Labor Economics*. The latest volumes are volumes 3a, 3b and 3c edited by O. Ashenfelter and D. Card (North-Holland, 1999).
- The four volume set of books *Labor Economics*, edited by O.C. Ashenfelter and K.F. Hallock (Edward Elgar 1995) contains the most influential articles in the field until the mid 1990s.
- R.G. Ehrenberg and R.S. Smith *Modern Labor Economics*, Harper and Collins, (8th ed. 2002)

All major journals regularly publish articles on labour economics. There are also specialised journals on labour economics in the VUW library. There is no textbook specifically concerned with the New Zealand labour market.

Materials and Equipment

Silent non-programmable calculators will be allowed in the exam.

Assessment Requirements

Class assignments and discussion: 10%
Participation in class discussions; Oral presentation to the class of one-page summaries of selected readings;

Presentation should explain the a) research question, b) theoretical framework, c) empirical approach (data used, models estimated), d) results and e) questions raised (for example, were a, b and c reasonable and did author interpret the results in a correct and meaningful way).

Long Assignments 45%

1. *Literature review -topic to be provided (25%)*

Prepare a critical review of the labour economics literature on a particular question (max 2500 words).

2. *In-depth critical review of a specific paper - topic to be provided (20%)*

Students should: (a) summarize the article, including its motivation, theoretical framework, critical assumptions, econometric methods used and main results; (b) critically assess the contribution of the paper; including the strengths and weaknesses of the paper's approach, appropriateness of theory, methods and data used, and whether the paper addresses an important issue and assessment of how convincing are the findings of the paper (max 2500 words).

Two-hour final examination 45%

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

Examination Dates: Friday, 12 June to Wednesday, 1 July 2009 (inclusive).

Penalties

Late assignments will attract a penalty of 1 point (out of 25 marks and 20 marks for long assignments 1 and 2 respectively) a day

Communication of Additional Information

Copies of announcements, assignment questions and other course information will be posted on Blackboard.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building on the ground floor (EA005). This counter is the first point of contact for:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Use of Turnitin

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting mis-referencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. *At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin.* You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.victoria.ac.nz/home/about/policy/students.aspx

For information on the following topics, go to the Faculty's website www.victoria.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.

It is still plagiarism even if you re-structure the material or present it in your own style or words.

Note: including the work of others will not be considered plagiarism as long as the work is acknowledged by appropriate referencing.

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website:

www.victoria.ac.nz/home/studying/plagiarism.html

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 6015. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.